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9 Attorneys for Defendant Northrop Grumman
 Systems Corporation (erroneously named as
 10 Northrop Corporation and Northrop Grumman
 Corporation)

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 COUNTY OF ORANGE, CIVIL COMPLEX CENTER

15 ORANGE COUNTY WATER DISTRICT,

16 Plaintiff,

17 vs.

18 NORTHROP CORPORATION; NORTHROP
 GRUMMAN CORPORATION; AMERICAN
 19 ELECTRONICS, INC.; MAG AEROSPACE
 INDUSTRIES, INC.; GULTON
 20 INDUSTRIES, INC.; MARK IV
 INDUSTRIES, INC.; EDO CORPORATION,
 21 AEROJET-GENERAL CORPORATION;
 MOORE BUSINESS FORMS, INC.; AC
 22 PRODUCTS, INC.; FULLERTON
 MANUFACTURING COMPANY;
 23 FULLERTON BUSINESS PARK LLC; and
 DOES 1 through 400, inclusive,

24 Defendants.

26 AND RELATED CROSS-ACTIONS.

CASE NO. 04CC00715

[Assigned for All Purposes to:
 The Hon. Kim Dunning, Dept. CX-104]

**NOTICE OF ENTRY OF ORDER
 AWARDING DEFENDANT NORTHROP
 GRUMMAN SYSTEMS CORPORATION
 COSTS IN THE AMOUNT OF \$985,327.15**

Action Filed: December 17, 2004

Trial Date: February 10, 2012

1 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that the Court entered its Order on January 30, 2015, Awarding
3 Defendant Northrop Grumman Systems Corporation Costs in the Amount of \$985,327.15. A true
4 and correct copy of the Order is attached hereto as Exhibit A.

5

6 DATED: February 2, 2015

LEWIS BRISBOIS BISGAARD & SMITH LLP

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By: s/ Thomas A. Teschner

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R. Gaylord Smith

Malissa Hathaway McKeith

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Ernest Slome

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James A. Geocariss

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Thomas A. Teschner

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Attorneys for Defendant Northrop Grumman
Systems Corporation (erroneously named as
Northrop Corporation and Northrop Grumman
Corporation)

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EXHIBIT “A”

EXHIBIT “A”

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE, CIVIL COMPLEX CENTER

ORANGE COUNTY WATER DISTRICT,

Plaintiff,

vs.

NORTHROP CORPORATION; NORTHROP
GRUMMAN CORPORATION; AMERICAN
ELECTRONICS, INC.; MAG AEROSPACE
INDUSTRIES, INC.; GULTON
INDUSTRIES, INC.; MARK IV
INDUSTRIES, INC.; EDO CORPORATION,
AEROJET-GENERAL CORPORATION;
MOORE BUSINESS FORMS, INC.; AC
PRODUCTS, INC.; FULLERTON
MANUFACTURING COMPANY;
FULLERTON BUSINESS PARK LLC; and
DOES 1 through 400, inclusive,

Defendants.

AND RELATED CROSS-ACTIONS.

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The Hon. Kim Dunning, Dept. CX-104]

**ORDER AWARDING DEFENDANT
NORTHROP GRUMMAN SYSTEMS
CORPORATION COSTS IN THE
AMOUNT OF \$985,327.15**

Action Filed: December 17, 2004
Trial Date: February 10, 2012

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1 Plaintiff ORANGE COUNTY WATER DISTRICT's ("OCWD") Motion to Tax
2 Defendant NORTHROP GRUMMAN SYSTEMS CORPORATION's ("Northrop")
3 Memorandum of Costs filed July 15, 2014, came on regularly for hearing before this Court on
4 October 24, 2014, at 9:00 a.m., in Department CX-104 of the Orange County Superior Court. The
5 Court also heard arguments related to OCWD's challenges to Northrop's Category 4 (Deposition)
6 Costs at a second hearing on January 20, 2015, at 9:00 a.m. in the same department. After full
7 consideration of the written and oral submissions by the parties, the Court hereby awards Northrop
8 costs in the amount of \$985,327.15, as detailed below.

9 Northrop's Memorandum of Costs totaled \$1,198,716.24. OCWD sought to tax
10 \$964,168.50 of the costs identified in Northrop's Cost Memorandum. On October 24, 2014 the
11 Court confirmed its tentative ruling thereby resolving twelve (12) of the thirteen (13) cost
12 categories at issue. The Court's October 24, 2014 ruling contained the following determinations:

- 13 • **Filing and Motion Fees:** OCWD's request to tax \$1,484.30 in filing fees was denied.
- 14 • **Service of Process Fees:** OCWD's request to tax \$7,333.79 for service of cross-
15 complaints was denied. As to the service of deposition subpoenas, the Court in its
16 discretion taxed Northrop's costs by \$682.27.
- 17 • **Witness Fees:** OCWD's request to tax \$1,368.34 of ordinary witness fees was denied.
- 18 • **Models, Blowups, and Photocopies of Exhibits:** OCWD's request to tax
19 \$576,607.91 for "modeling," and other work performed by SoundEarth and \$122,416
20 for "modeling" and other work performed by GeoKinetics was denied.
- 21 • **Court Reporter Fees as Established by Statute:** Northrop was awarded \$2,710.50
22 under this category. The amount was not challenged by OCWD.
- 23 • **Other Discretionary Costs:** OCWD's request to tax FTI Consulting's trial support
24 services was granted in part and denied in part. The Court taxed FTI's expenses by
25 \$5,225.08, representing FTI's expenses charged to Northrop for meals, mileage,
26 parking, internet access, postage, shipping and equipment rentals. OCWD's request to
27 tax \$4,100.63 for "third party filing fees"; \$23,599.50 for LexisNexis File & Serve and
28 File and ServeXpress expenses; \$14,391.19 for expenses related to attorney travel to

1 attend trial; \$132,714.53 for electronic imaging and depository fees incurred with
2 Capitol Digital Document Solutions; and \$1,137.00 for CourtCall fees was granted.

3 **Northrop's Deposition Costs**

4 The only issue left undecided following the October 24, 2014 hearing was Northrop's
5 request for Category 4 (Deposition) costs in the amount of \$228,048.07. The Court deferred
6 ruling on the Category 4 (Deposition) costs to allow Northrop an opportunity to respond to
7 arguments asserted by OCWD for the first time in its Reply brief filed on October 17, 2014.

8 Supplemental briefs pertaining to Northrop's request for deposition costs were filed by the
9 parties. Northrop made concessions totaling \$31,538.89 in response to the arguments asserted by
10 OCWD. OCWD also withdrew various challenges and significantly reduced the amount of
11 deposition costs it sought to tax from \$72,205.11 to \$30,855.64. The result of the concessions by
12 both parties significantly narrowed the issues in dispute pertaining to Northrop's deposition costs.
13 With respect to the only item in dispute and argued at the January 20, 2015 hearing, the Court
14 finds that the costs Northrop incurred to obtain documents from two AECOM engineers
15 (demanded by deposition subpoena) are recoverable as a cost of "taking" a deposition. (Code
16 Civ. Proc., § 1033.5, subd. (a)(3).)

17 Therefore, after full consideration of the supplemental briefing, oral arguments and
18 concessions by the parties, the Court finds Northrop is entitled to an award of \$196,509.18 in
19 Category 4 (Deposition) costs and taxes Northrop's request by \$31,538.89 per the following
20 challenges asserted by OCWD:

21	- "Duplicative Video Deposition Costs"	\$8,526.21
22	- "Video Synchronization Charges"	\$7,595.17
23	- "Shipping & Handling Charges"	\$7,321.33
24	- "Rough Drafts"	\$1,541.50
25	- "Attorney Meals"	\$328.38
26	- "Videographer/Court Reporter Parking"	\$961.00
27	- "CD-Roms"	\$45
28	- "Use of Livenote"	\$759.38

1	- "Miscellaneous Deposition Services"	\$1,962.64
2	• E-transcripts (\$30.00)	
3	• OCR Services (\$291.34)	
4	• DVD copies of master tapes (\$480.00)	
5	• Technology packages (\$515.00)	
6	• Expedite surcharge (\$89.00)	
7	• Scanned exhibits (\$365.00)	
8	• Other Misc. Charges (\$192.30)	
9	- "Attorney Travel & Teleconference Expenses"	\$998.29
10	- "Inadequate Supporting Documentation"	<u>\$1,499.99</u>
11	Total Amount of Deposition Costs Taxed:	(\$31,538.89)

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Therefore, in totality, the Court hereby taxes and awards costs to Northrop in the following amounts:

<u>Cost Category</u>	<u>Amount Sought</u>	<u>Amount Taxed</u>	<u>Amount Awarded</u>
(1) Filing and Motion Fees	\$4,175.15	(\$0.00)	\$4,175.15
(4) Deposition Costs	\$228,048.07	(\$31,538.89)	\$196,509.18
(5) Service of Process	\$8,830.33	(\$682.27)	\$8,148.06
(8) Witness Fees	\$1,368.34	(\$0.00)	\$1,368.34
(11) Models/Blowups of Exhibits	\$736,063.30	(\$0.00)	\$736,063.30
(12) Court Reporter Fees	\$2,710.50	(\$0.00)	\$2,710.50
(13) Other			
- FTI Consulting Fees	\$41,577.70	(\$5,225.08)	\$36,352.62
-3 rd Party Filing Fees	\$4,100.63	(\$4,100.63)	\$0.00
-LexisNexis File & Serve	\$23,599.50	(\$23,599.50)	\$0.00
-Attorney Travel to Trial	\$14,391.19	(\$14,391.19)	\$0.00
-Electronic Imaging Fees	\$132,714.53	(\$132,714.53)	\$0.00
-CourtCall Fees	\$1,137.00	<u>(\$1,137.00)</u>	<u>\$0.00</u>
Total Amount Taxed:		\$213,389.09	
Total Costs Awarded to Northrop:			\$985,327.15

IT IS SO ORDERED:

Date Judge Signed: January 30, 2015



Honorable Kim G. Dunning
Judge of the Superior Court

1 **PROOF OF SERVICE**

2 *Orange County Water District v. Northrop Grumman Corporation*
3 *Orange County Superior Court Case No. 04CC00715*

4 STATE OF CALIFORNIA, COUNTY OF SAN DIEGO

5 At the time of service, I was over 18 years of age and not a party to the action. My
6 business address is 701 B Street, Suite 1900, San Diego, CA 92101.

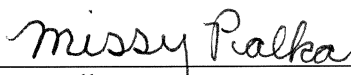
7 On February 2, 2015, I served the following document(s):

- 8 • **NOTICE OF ENTRY OF ORDER AWARDING DEFENDANT NORTHROP**
9 **GRUMMAN SYSTEMS CORPORATION COSTS IN THE AMOUNT OF \$985,327.15**

10 ☒ (BY ELECTRONIC SERVICE VIA FILE & SERVEXPRESS) Based on a court order, I
11 caused the above-entitled document(s) to be served through File & ServeXpress at
12 <https://secure.fileandservexpress.com> addressed to all parties appearing on the electronic
13 service list for the above-entitled case. The service transmission was reported as complete
and a copy of the File & ServeXpress Filing Receipt Page/Confirmation will be filed,
deposited, or maintained with the original document(s) in this office.

14 I declare under penalty of perjury under the laws of the State of California that the
15 foregoing is true and correct.

16 Executed on February 2, 2015, at San Diego, California.

17 
18 Missy Palka